

## ENERGY STAR® Success Story

# Hilton Hotels Corporation

### Hilton's Energy Management Strategy Gets All A's

Accountability, Action, and Awareness: the key ingredients in Hilton Hotels Corporation's successful energy management strategy. What's the reward for an outstanding energy report card? In the year 2000 alone, Hilton saved nearly \$2.5 million in energy costs. And, the environmental benefit of Hilton's endeavors has been the saving of nearly 43 million kWh of electricity per year and the prevention of 65 million pounds of CO<sub>2</sub> emissions – the equivalent of removing 6,450 cars from the road. With all of these accomplishments, it's not a surprise that Hilton was a 2001 Energy Star Award winner.

Based in Beverly Hills, California, Hilton Hotels Corporation owns and operates more than 530 hotels, and franchises another 1,500 properties in the U.S. After joining ENERGY STAR in 1996, Hilton committed all of its owned and managed properties to ENERGY STAR, placing itself among the largest ENERGY STAR partners.

Hilton invested a great deal of effort developing a comprehensive energy management plan to ensure that the company's practices are *best practices*. With the ultimate goal of reducing the company's cost of operation, Hilton established specific energy goals, including a five percent reduction in energy use, a five percent reduction in energy costs, and a five percent increase in score on the ENERGY STAR benchmarking tool. Here's a look at how Hilton made the grade.



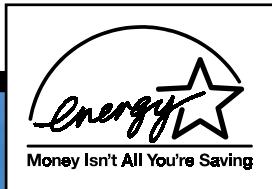
*Hilton Staff and ENERGY STAR representatives  
with EPA Administrator Christie Whitman at the  
2001 ENERGY STAR Awards Ceremony*

### Accountability

With a portfolio that includes 530 properties totaling nearly 160 million square feet, Hilton's corporate engineering department relies on standard operating procedures (SOPs) to ensure that all properties meet the hotel's energy management goals. Hilton's SOPs include quarterly building inspections, rigorous preventative maintenance, and a purchasing policy that includes ENERGY STAR labeled products.

Each hotel creates and implements an energy management plan based on the ENERGY STAR strategy. Each quarter, corporate benchmarking reports comparing a variety of energy metrics across Hilton properties are sent to individual hotel general managers and directors. For hotels that perform poorly, Hilton identifies an independent consulting firm to conduct energy audits, and all of Hilton's properties have access to the company's Intranet site, which provides detailed best practices, case studies, and training tools. Hilton also plans to present an annual award to the property that most effectively reduces its energy costs.





*"The first line of defense against escalating energy costs lie within our control. Energy efficiency is the key to lowering operating expenses. The best way to save money is not to spend it. Likewise, the best way to save energy is not to consume it."*

Edwin Figueroa  
Director of  
Engineering  
Operations

## Action

**Technical Approach.** Engaging the ENERGY STAR approach to energy management, Hilton has used the following tactics to successfully reduce energy costs:

- Installed CFLs in guestrooms, bathrooms, foyers, corridors, and elevators
- Installed photo sensors on exterior and landscape lighting
- Implemented a maintenance program to include group re-lamping
- Educated housekeeping staff about turning off lights and setting back air conditioners
- Added roof and wall insulation and/or reflective coverings
- Purchased ENERGY STAR labeled electronic products for guestrooms and offices
- Replaced older, less-efficient boilers and furnaces

**New Technologies.** Hilton continually evaluates new technologies through pilot projects. When a project is completed, information about the process and the savings is shared with all the Hilton hotels. One hotel is saving almost \$270,000 per year in energy costs after the installation of digital thermostats that monitor room occupancy and automatically adjust the temperature when occupants enter (or exit) a room.

**Benchmarking.** Each quarter, Hilton sends an energy benchmarking report to all general managers and directors of Hilton-brand, owned and operated properties. The report describes the hotels' performance based on a variety of metrics, including energy cost per square foot, energy cost per room, and energy cost as a percent of revenue. So far, Hilton has successfully gathered energy use data for more than 300 properties and is working with vendors to track this information via the Web to keep the data updated and make it more accessible to the properties.

**ENERGY STAR Label.** Hilton benchmarked its corporate headquarters building using the ENERGY STAR Benchmarking Tool and received a score of 72. After updating its data for 2001, Hilton hopes to receive the ENERGY STAR label.

## Awareness

To ensure that energy information reaches hotel managers across the country, each property establishes an energy management team that meets on a regular basis to evaluate progress in achieving the hotel's energy-efficiency goals and submits any "best practices" to the corporate office for review and dissemination to other properties.

Hilton collaborated with ENERGY STAR to develop case studies and Web pages for the hotel's Intranet site, which is available to 78,000 team members worldwide. With Senercomm™, Hilton created a case study outlining the cost and savings details of Hilton's programmable thermostat pilot project. Hilton also developed a case study highlighting the hotel's agreement with Panasonic to purchase ENERGY STAR labeled televisions for nearly 100 Hilton Garden Inn hotel properties.